

Item: 7A
Date: 12/16/21

Parcel 91 (former Sound Mattress Cleanup) Agreed Order and Project Authorization

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Agree Order and Project Authorization Parcel 91 (former Sound Mattress)



- Request authorization for the Executive Director or his delegate to execute an Agreed Order with Ecology to complete a cleanup action plan for the former Sound Mattress Site, Master ID No. 101042.01.
- Request authorization to reprogram the remaining authorized funds, totaling \$354,326 through October 2021, to begin preliminary work needed to develop a cleanup action plan for the former Sound Mattress Site, Master ID No. 101042.02.

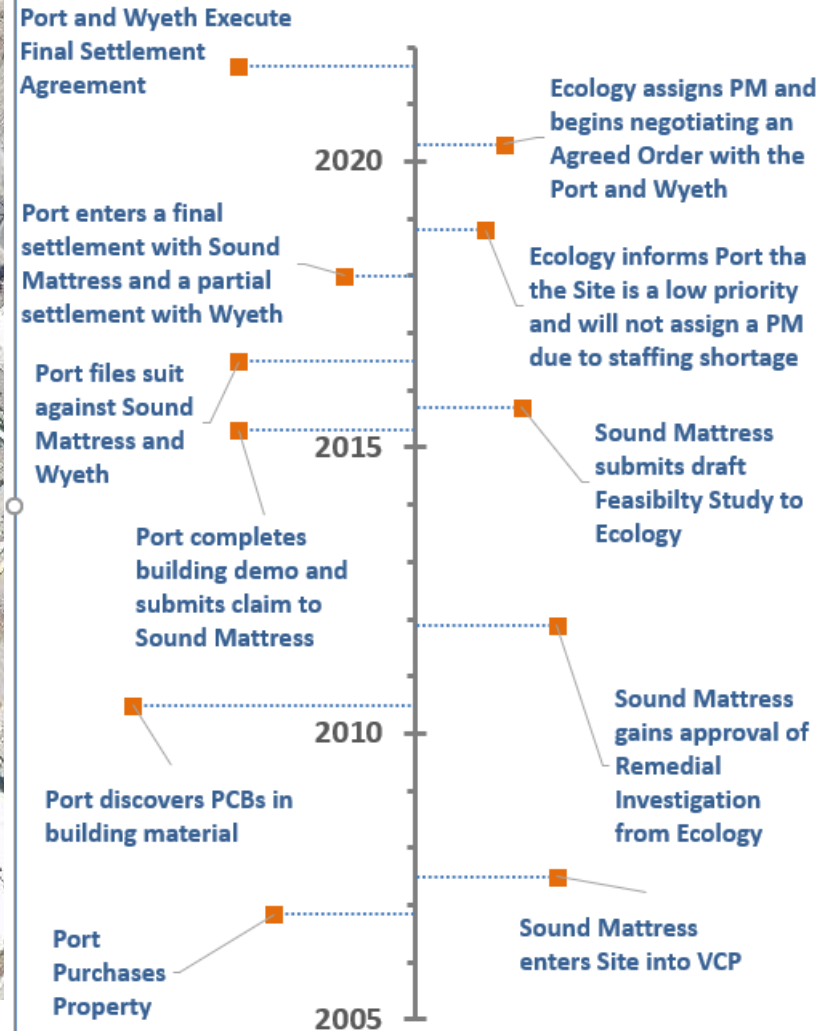
Background Parcel 91 (former Sound Mattress)



Background Parcel 91 (former Sound Mattress)



Parcel 91 Timeline of Events



Details of the Agreed Order Agreement Parcel 91 (former Sound Mattress)



The basic terms of the agreement with Ecology include the following:

- The Port will complete an Updated Conceptual Site Model Report, Remedial Investigation, Feasibility Study; and submit a preliminary draft Cleanup Action Plan for the Site.
- The Port shall submit to Ecology written quarterly Progress Reports that describe the actions taken during the previous quarter.
- If the Port wishes to conduct an interim action, the Port shall prepare and submit to Ecology an Interim Action Work Plan.
- If Ecology determines that the Port has failed to make sufficient progress or failed to implement the remedial action, Ecology may, after notice, perform the remedial action or at Ecology's discretion allow the Port opportunity to correct.
- The Port shall not perform any remedial actions at the Site outside those remedial actions required by this Order to address the contamination that is the subject of this Order, unless Ecology concurs.
- The Port shall pay to Ecology costs incurred by Ecology pursuant to this Order.

Project Description and Details

Parcel 91 (former Sound Mattress)



Scope of Project

- All tasks necessary for cost recovery litigation associated with the former Brown & Haley/ Sound Mattress Site Project.
- All tasks necessary to complete the planning phase of cleanup including additional investigation actions, a Feasibility Study and Cleanup Action Plan (future authorization – not estimable).
- Cleanup Implementation (future authorization – not estimable).

Project Description and Details

Parcel 91 (former Sound Mattress)



Scope of this Request

- Procure an environmental engineering firm to support development of a draft cleanup action plan.
- Development of an updated Conceptual Site Model Report and Remedial Investigation Work Plan for Ecology's review and approval.
- Additional groundwater monitoring and other sampling to support the Remedial Investigation Work Plan development.

Financial Summary and Source of Funds Parcel 91 (former Sound Mattress)



Item	This Request	Total Previous Requests	Total Request	Total Project Cost	Cost to Date	Remaining Cost
TOTAL	\$0	\$1,530,000	\$1,530,000	\$1,530,000	\$1,175,674	\$354,326

- The total project cost that is currently estimable is \$1,530,000. Pending Commission authorization, the balance of the remaining authorized funds will be applied to the scope of work for this request.

Settlement Funding	Port Project Costs	Description
\$ 12,100,000		from former property owners (2018 and 2021)
\$ 10,003,066	\$ (2,096,934)	PCB Building Demolition Claim (2014-2015)
\$ 8,827,392	\$ (1,175,674)	Cost Recovery Litigation to date (2016-Oct 2021)

- The project cost incurred to date for cost recovery litigation tasks total \$1,174,674. Final settlements with the former property owners total \$12.1M. This, less the PCB building claim and litigation costs to date, leaves approximately \$8.8M of the Settlement to complete the Cleanup Action Plan and implement the cleanup.

Financial Summary and Source of Funds Parcel 91 (former Sound Mattress)



- Future costs for implementing a remedial investigation, feasibility study and cleanup action plan will be estimated following development of the remedial investigation work plan.
- Future Costs to implement the remedy are not estimable at this time. Additional Commission Authorization will be requested to implement these future stages.
- The 2022-2026 Capital Investment Plan allocates \$1,001,000 for this project.
- The \$7.2 million settlement received in November 2021 has no impact on the income statement but will be held to fund the planning phase of cleanup including additional investigation actions, a Feasibility Study and Cleanup Action Plan and Cleanup Implementation.

Next Steps

Parcel 91 (former Sound Mattress)



- Procure an Environmental Engineering Consultant (Q1 2022).
- Update the Site Conceptual Model and develop a Remedial Investigation Workplan (Q4 2022).
- Return to Commission to request authorization to implement the Remedial Investigation Work plan, develop a Feasibility Study, and draft Cleanup Action plan (Q4 2022).

Conclusion

Parcel 91 (Former Sound Mattress) Agreed Order and Project Authorization



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